

January 24, 2002

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

FEDERAL LEGISLATIVE UPDATE

Healthy Families Waiver

Health and Human Services (HHS) Secretary Tommy Thompson approved today California's Section 1115 Waiver request to expand health coverage to parents whose children are covered under the State Children's Health Insurance Program (SCHIP/Healthy Families). Secretary Thompson also announced that President Bush's proposed FFY 2003 Budget would make available to states an estimated \$3.2 billion in unused SCHIP funds that otherwise would return to the Federal treasury. Under current law, states must spend their annual SCHIP allotments within three years. California would benefit from this budget proposal because the State has not spent much of its prior years' SCHIP allotments.

Secretary Thompson will be announcing approval of the State's Healthy Families waiver at the AltaMed Medical Clinic in Los Angeles on January 25, 2002 at 3:00 p.m., a change from the time indicated on the invitation according to AltaMed. As indicated in the attached flyer, admission to the event is by invitation only. The invitation list was prepared by HHS staff.

Homeland Security Funding

President Bush announced today that his proposed Federal Fiscal Year (FFY) 2003 Budget will include \$37.7 billion to prepare for and prevent domestic terrorist attacks.

As indicated in the attached White House fact sheet, his homeland security budget request includes \$3.5 billion in grants to state and local governments for "first responders" (firefighters, police, and emergency medical personnel who respond to emergencies). This First Responder Initiative would be administered by the Federal Emergency Management Agency (FEMA) and would fund the following activities:

- \$105 million for the development of comprehensive plans to prepare for and respond to terrorist attacks;
- \$2 billion for equipment purchases;
- \$1.1 billion to train first responders; and
- \$245 million for exercises to improve response capabilities and coordination.

The Administration has not indicated how the entire \$37.7 billion request for homeland security activities would be allocated. However, that information will be available by February 4, 2002 when the President's proposed FFY 2003 Budget will be released. It is expected that his proposed budget will finance the increased funding for homeland security and national defense with offsetting cuts in domestic programs.

We will continue to keep you advised of any new developments.

DEJ:GK
RT:TJ:MT:md

Attachments

c: Executive Officer, Board of Supervisors
 County Counsel
 All Department Heads
 Legislative Strategist